

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST ADJUSTMENT)	
FILING OF BURKESVILLE GAS)	CASE NO. 90-290-H
COMPANY, INC.)	

O R D E R

On October 28, 1992, in Case No. 90-290, the Commission required Burkesville Gas Company, Inc. ("Burkesville") to file a quarterly gas cost adjustment ("GCA") clause to ensure that its rates reflect its most current cost of gas.

On June 23, 1995, Burkesville filed its GCA to be effective from August 1, 1995 to November 1, 1995.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville's notice proposed revised rates designed to pass on expected decreased wholesale gas cost to its customers. Burkesville's expected gas cost ("EGC") is \$4.124 per Mcf.

2. Burkesville had no supplier refunds. Its notice set out no refund adjustment.

3. Burkesville's notice set out a current quarter actual adjustment ("AA") of (2.3) cents per Mcf to return over-recovered gas cost from February, March, and April 1995. Burkesville used the gas cost recovery rate in effect for these months instead of the EGC in calculating its over-recovery. The current AA should be (6.1) cents per Mcf. The total AA of (15.8) cents per Mcf reflects

the current overcollection as well as under- and over-collection from previous quarters.

4. These adjustments produce a gas cost recovery rate of \$3.966 per Mcf, 22.9 cents less than the prior rate.

5. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective for service rendered on and after August 1, 1995.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Burkesville are hereby denied.

2. The rates in the Appendix to this Order are fair, just, and reasonable and are effective for service rendered on and after August 1, 1995.

3. Within 30 days of the date of this Order, Burkesville shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28th day of July, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-290-H DATED July 28, 1995.

The following rates and charges are prescribed for the customers served by Burkesville Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$3.524	\$3.966	\$7.490
Industrial	2.524	3.966	6.490